recommended by it obviates the need for a separate FRF. The Government has accepted this recommendation of the TFC. Since the scheme of FRF itself was discontinued, any saving in this regard does not arise.

(d) Based on the improvement of fiscal performance of the States during 2000-01 to 2004-05, only 14 States namely, Assam, Bihar, Chhattisgarh, J&K, Karnataka, Madhya Pradesh, Manipur, Meghalaya, Orissa, Rajasthan, Sikkim, Tamil Nadu, Tripura and West Bengal achieved the prescribed norms and based on the Accounts provided by the states, were disbursed full earmarked amount from the Incentive Fund for five years under Fiscal Reforms Facility.

Shortage of employees in public sector banks

†1948. SHRI PYARELAL KHANDELWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is a shortage of almost one lac employees in the public sector banks in the country;

(b) whether it is also a fact that due to the said shortage, level of service of the said banks has come down;

(c) if so, the reasons therefor;

(d) whether Government is formulating any plan to fill these vacant posts in view of severe shortage of the said personnel;

(e) if so, the details thereof; and

(f) if not, the reasons for the undeclared ban on the recruitment in banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (f) As reported by Public Sector Banks (PSBs) there is no shortage of staff. With the enhanced managerial autonomy granted to PSBs on 22.2.2005, the PSBs are authorized to frame their Human Resources (HR) policies which includes manpower planning and recruitment. The filling up of the vacancies is an ongoing exercise and the PSBs make their recruitments as per their needs and requirements.

Investments by LIC, Insurance Companies and Banks in IPOs

1949. SHRI DHARAM PAL SABHARWAL: Will the Minister of FINANCE be pleased to state:

(a) the details of investments of Life Insurance Corporation of India (LIC) and other insurance companies who have invested in various Initial Public Offerings (IPOs) during the month of January, 2008;

(b) whether some banks including State Bank of India have also invested huge sum of money in the volatile market of IPOs; and

(c) if so, the details of such investments and loss incurred by LIC, insurance companies and banks by way of investments in IPOs in January, 2008?

†Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) The information is being collected and will be laid on the table of the House.

Interest Rate Charged on Education Loans

1950. SHRIMATI JAYA BACHCHAN: Will the Minister of FINANCE be pleased to state:

(a) the rate of interest charged on education loans by Government and other banks;

(b) whether there is any proposal to bring down this rate of interest in order to reduce mental pressure on students and in a bid to reduce the cost of education; and

(c) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) As per extant guidelines, the interest rate on education loans upto Rs. 4 lakh should not exceed the Benchmark Prime Lending Rate (BPLR) of the banks and for loans above Rs. 4 lakh it should not exceed BPLR+1 per cent.

(b) and (c) Certain features have been built into the education loan scheme to reduce the burden of interest on the student. There is a repayment holiday/moratorium, during the period of the course plus one year or six months after getting a job, whichever is earlier. Furthermore, the interest is to be debited quarterly/half yearly on simple basis during the repayment holiday/moratorium period to further ease the interest burden on the student.

Transfer of Wagon Manufacturing Units to Railways

1951. SHRI D. RAJA: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether Government is considering a proposal to transfer Bharat Wagon & Engineering Ltd. to the Ministry of Railways;

(b) if so, the details thereof; and

(c) whether Government would consider the transfer of other two wagon manufacturing units in West Bengal i.e. Burn Standard and Braithwaite to the Railways in the same fashion?

THE MINISTER OF STATE IN THE DEPARTMENT OF HEAVY INDUSTRIES, MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRIMATI KANTI SINGH): (a) and (b) Yes, Sir. The Government has approved the proposal to transfer the administrative control of Bharat Wagon & Engineering Company Limited (BWEL) to Ministry of Railways.

(c) Government has already restructured M/s. Braithwaite & Company during 2006-07. M/s. Burn Standard Company Limited has huge liability of more than Rs. 500 crore and is under reference to BIFR for its financial restructuring. There is no proposal at present to transfer of these two companies to Ministry of Railways.